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MEMORANDUM

TO: Legislative Oversight Committee
Local CFAC Chairs
NC Council of Community Programs
County Managers
State Facility Directors
LME Board Chairs
Advocacy Organizations
MH/DD/SAS Professional and Stakeholder Organizations

Commission for MH/DD/SAS
State CFAC
NC Assoc. of County Commissioners
County Board Chairs
LME Directors
DHHS Division Directors
Provider Organizations

FROM: Allen Dobson, MD
Mike Moseley

SUBJECT: Enhanced Services Implementation Update # 4
Transition Services Authorizations, Service Orders, Additional Crosswalks

Transitional Service Authorizations

As you know, the Department of Health and Human Services will be implementing new procedures for authorization of Medicaid and state-funded services. At this time, we project that the implementation date for the new Medicaid utilization review/service authorization process will be June 1, 2006. We will establish an effective date for the change in authorization for state funded services at a later date.

Until these changes are implemented, service authorization will continue to be performed by each Local Management Entity (LMEs). We recognize that the staff who currently perform service review and authorization in LMEs that are not planning to perform UR functions in the future will begin to seek other employment in anticipation of that change. In light of this reality, it is important to authorize services for a sufficient period of time to allow for a reasonable transition to the new procedures. Following medical necessity criteria, both existing and new Medicaid services may be authorized for up to six months. State funded services may be authorized for up to six months based on funds as available. If the definition of the service being authorized has a utilization review period

that is less than six months – for instance, Community Support requires re-authorization at least every 90 days – during this transition period only the authorizer should include justification supporting why they have determined that the service will continue to be medically necessary for the longer period of time. Reviewers should also document if they authorize a service during this transition period for more than the projected maximum dosage. For example, again using Community Support, the service definition states that “No more than 112 units per week of services can be provided to an individual unless additional service is authorized based on medical necessity.” The LME authorizer may authorize more than 112 units per week during this transition period if they document the medical necessity criteria that support that decision.

NOTE: Authorization guidelines for state-funded developmental disabilities services – Developmental Therapy, Personal Care and Respite – will be issued shortly.

Service Orders

The service order in place for current services will follow the cross walk of services that was presented in Implementation Update #3 (and updated to add Mobile Crisis, Intensive In-home, and MST). **There will no need for a new service order after March 19, 2006 to cover old services that remain or those that crosswalk to the new services.** For example, a current service order for case management or Community Based Services (CBS), will be honored as the service order for Community Support after March 19. New service orders will be required at the time of a treatment plan revision, PCP development, or at the annual review date (determined to be the birth date of the consumer), whichever comes first.

If there is a **new service that has not previously been provided to the consumer**, a current service order must be in place prior to the provision of that service. This service order must follow the current guidelines for obtaining service orders, and must be signed by a physician, licensed psychologist, physician’s assistant, or nurse practitioner according to the scope of their practice.

Note: The policy and procedure for providing service orders remains under review by DMA and DMH/DD/SAS.

Additional Crosswalks

Implementation Update #3, dated February 8, 2006, included a crosswalk of services which do not require the completion of a Person Centered Plan upon implementation. In addition to the services outlined on that crosswalk, if a consumer is currently authorized to receive Intensive In-Home or Mobile Crisis in accordance with the service groupings outlined in Communications Bulletins 40 and 48 respectively, those services will also crosswalk to the new definitions.

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